GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:189
ANSWERED ON:05.08.2005
IMPLEMENTATION OF POWER PROJECTS
Acharia Shri Basudeb;Chaudhary Shri Pankaj

Will the Minister of POWER be pleased to state:

(a) whether Government has observed the inordinate delay in implementing various power projects;

(b) if so, the details thereof along with the reasons for such delay;

(c) whether the matter has been discussed with the concerned Ministries and the Planning Commission;

(d) if so, the outcome thereof;

(e) the action taken/proposed to be taken for early implementation of power projects; and

(f) the likely cost escalation due to the delay in their implementation?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO. 189 TO BE ANSWERED IN THE LOK SABHA ON 05.08.2005 REGARDING IMPLEMENTATION OF POWER PROJECTS.

(a) & (b) : Yes Sir. There has been delay in execution of some power projects. Delays at execution stage is mainly on account of following reasons:

- Geological surprises
- Location of Hydro sites in remote and inhospitable area
- Rehabilitation & resettlement problem
- Contractual problem

Project-wise details are annexed.

(c) & (d) : Yes, Sir. The issues relating to delays in execution of power projects are discussed regularly in the quarterly performance review meetings. Where necessary projects specific meetings are also organized.

Regular inter-action with Ministry of Environment & Forests, Ministry of Coal, Ministry of Petroleum & Natural Gas, Finance Ministry and Planning Commission have led to faster clearances of projects. The procedures for clearances have also been streamlined.

The average lead time for the 500 MW coal based unit has been reduced from 49 months to 38 months, for 210 /250 MW units reduced to 28 months from 32 months and for gas based projects it has come down from 24 months to20 months. The gestation time in respect of new hydro projects has also been declining.

(e) : To avoid delays in the execution of projects, monitoring mechanism has been strengthened. Measures taken include:

(i) Quarterly review by Ministry of for each Central Public Sector Undertaking.

(ii) Quarterly review by Ministry with Bharat Heavy Electricals Limited (BHEL) top level team.

(iii) Quarterly review by Ministry with Central Electricity Authority (CEA) for all projects of the country. Central Electricity Authority has

deputed a Nodal Officer for intense monitoring of each project.

(iv) Video Conferencing with Chief Executives of select projects at more frequent intervals.

(v) Visits to projects.

(f) : The details about the likely cost escalation due to delay in the implementation of the project is annexed.

ANNEXURE

ANNEXURE REFERRED TO IN PARTS (a), (b) & (f) OF THE STATEMENT LAID IN REPLY TO STARRED QUESTION NO. 189 TO BE ANSWERED IN THE LOK SABHA ON 05.08.2005 REGARDING IMPLEMENTATION OF PENDING POWER PROJECTS.

TIME/COST OVERRUNS IN POWER PROJECTS.

Name of Project	State / CPSU	Capacity (MW)	Commissioning Schedule Original / Latest	Estimated Cost Original/ Latest (Price level) (Rs. in crores)	Estimated cost overrun (Rs in Crore)	Reasons for delay
Central Sector						
Thermal						
Neyveli Exp.I	Tamil Nadu/ NLC	420	Feb.,2001/ August , 2005	1590.58/ 1566.23 (Exp. Till May, 03)	NA	Delay in placement of order for main plant. Order was placed on 10th August, 1998. Delay in supply of Bottom Ash Plant refractory material.
Hydro						
Dulhasti HEP	Jammu & Kashmir /NHPC	390	July, 1994/ December , 2005	1262.97 (10/88) 3559.77 (11/96)	2296.80	Law and Order problem, withdrawal of French Consortium, poor geological strata in encountered in Head Race Tunnel (HRT), rock burst leading to burial of Tunnel Boring Machine.
Dhauliganga HEP	Uttaranchal / NHPC	280	1998-1999/ 2005-06	601.98 (12/89)/ 1578.31 August, 1999	976.33	U-IV & U-III synchronized on 26th and 28th July, 2005 respectively. The project was delayed due to delay in tie up of funding, acquisition of land and Rehabilitation & Resettlement problems.
Tehri HEP St.1	Uttaranchal / THDC	1000	March, 99/ March, 2006	3391.40 (3/93)/ 6621.32 (March, 03)	3229.92	Resettlement problem, repeated dam safety studies to meet apprehensions of seismic stability, faulty geological strata. There was a mishap in tunnel T-2 on 2nd Aug 2004.
State Sector						
Thermal						
Akrimota	Gujarat/ GMDCL	250	June, 2003/ Sep. 2005	1338.43 /1338.43	NA	One unit commissioned in March, 2005. Delay in readiness of material handling system as matter was subjudice.
Parichha	Uttar Pradesh / UPRVUNL	420	April, 05/ March,06	1703.00 / yet to be firmed up	NA	Non release of payment to M/s. Bharat Heavy Electricals Limited by project authority.

Hydro

Baglihar -I	Jammu & Kashmir / JKPDC	450	2004-05/ 2006-07	3810.00 (1998)/ 3810.00 (1998)	NA	Law & order problems, delay in construction of dam concreting, there was slow progress earlier due to funds constraints
Larji	Himachal Pradesh / HPSEB	126	2002-03 / 2005-06	796.98 (3/99) /875.70 (8/01)	78.72	Delay in award of various contract packages, Rock fall in power house area.
Maneri Bhali-II	Uttaranchal/ UJVNL	304	2003-04/ 2006-07	1111.39 (2/99)/ 1714.41 (2005-06)	603.02	Slow progress in HRT and Surge Shaft, contractual issues with National Projects Construction Corporation.
Sardar Sarovar	Gujarat/ MP/ Maharashtra / SSNNL	1450	1994-96/ 2002-07	1551.86 (1986-87)/ 5502.00 (2002)	3950.14	250 MW at Canal and Power House commissioned. 400 MW at River Bed Power House commissioned. Resettlement and rehabilitation problems, court cases, withdrawal of World Bank funding.
Ghatghar PSS	Maharashtra/ Irrigation Dept. Govt. of Maharashtra	250	1995-96/ 2005-06 (3/02)	620.78(1992) / 1184.60	563.82	Delay in land acquisition. Delay in award of major works, delay in completion of lower dam and flooding of Power House due to recent floods.
Pykara Ultimate	Tamil Nadu/ TNEB	150	1994-95/ 2005-06	70.16(87-88) / 382.81 (99-00)	312.65	Delay in completion of Transmission line due to forest Clearance. Delay in award of Civil & Mechanical works.
Purulia PSS	West Bengal / WBSEB	900	2002-03/ 2006-08	1456.56 (9/91) / 2988.28 (4/02)	1531.72	Due to filling of Writ Petition by the bidders and consequent legal impediments, delay diversion of forest land.
Karbi Langpi	Assam / ASEB	100	1985-86/ 2006-07	539.06 (Dec. 03)/ 1382.56 (5/02)	843.50	Frequent change in executing agencies, shifting of project from state to private and then back to state sector. There was fund constraints earlier.